

## Facilitator Questions for Discussion – Utility Working Group Responses

### **1) Do people agree that a preliminary site review/pre-application report request is the appropriate place to start?**

Yes, the Utility Working Group agrees that the PISR/Pre-Application Report is a good starting point for improving interconnection procedures. The discussion should include the content of such a report as well as what it may cost and how it fits in the larger process. The Group believes the development of a formal Pre-Application Report should be accompanied by development of a formal Interconnection Application that may be substantially based upon the existing PISR request document. Both of these steps should be documented as part of a comprehensive process.

### **2a) What are the significant differences between the current utility site review requirements and among the IREC/MN/FERC SGIP pre-application report request requirements?**

For reference, note the “Current Process” as document in the flow chart below. According to the current process, the optional PISR request is the first notification to the utility of intent to interconnect. Net Metering rules dictate that the report is “non-binding and need only include existing data and does not require the Electric Utility to conduct a study or other analysis,” but also that “any items that would prevent Parallel Operation due to violation of safety standards and/or power generation limits shall be explained along with a description of the modifications necessary to remedy the violations.” The provisions explicitly do not require further study but cannot be fulfilled without further study. Furthermore, the only required step to notify the utility is the Interconnection Agreement, which may be submitted after the applicant is under contract and has purchased the system in question, limiting the ability of the utility and applicant to collaborate to develop the greatest likelihood of successful interconnection. Either the PISR Request or the Interconnection Agreement may trigger internal utility screening/study procedures.

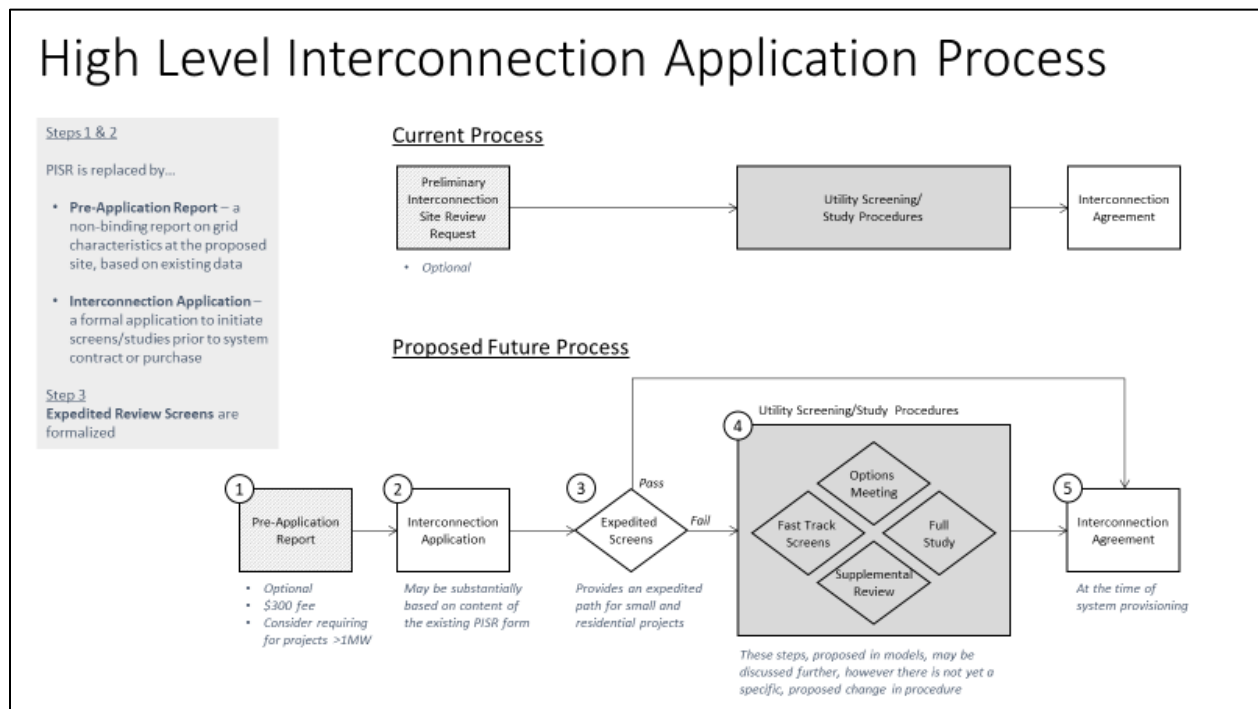
The available models recommend both an optional Pre-Application Report that is non-binding and based on existing data, and a formal Interconnection Application to trigger utility screens/studies as appropriate.

### **2b) Should this pre-application report request be optional, as it is in IREC?**

Yes, the purpose of such a report is to benefit developers and customers by increasing the understanding of potential success of a proposed Interconnection Application prior to any commitments. This aligns with the model procedures that have been considered. There may be value to a requirement for this report above some system size threshold, however, the intent is to benefit the applicant and as such, the choice may be left to them.

### **3a) What is the current application procedure for interconnection at the IOUs after the pre-application/preliminary site review? For example, after receiving Pre-Application Report information, a developer would then submit an application for interconnection, then go through the screening**

process (simplified, expedited, full review), then be approved or rejected. For reference, see attachment with MN process flow charts.



### 3b) Do you agree that making applications online/internet-enabled should be recommended?

Yes, the Utility Working Group has discussed this topic and concluded that electronic submission provides value for the process. There remains a need to allow utilities flexibility regarding how to implement. Some utilities may choose to invest in a fully online platform, while others will not be able to justify that cost. At a minimum, The Group has developed consensus that fillable pdf forms should be allowed to be submitted via email. See the strawman language below, extracted and modified from model procedures considered.

#### Strawman Proposal

Each utility shall allow Interconnection Applications to be submitted electronically; such as, through the utility's website or via email as fillable pdf forms.

The utility may allow for electronic signatures to be used. Facsimile or electronic signatures, or signatures sent electronically, shall have the same effect as original signatures.

### 4) Should there be utility specific screen thresholds, or are the thresholds identified in IREC/MN/FERC SGIP workable?

The utilities' preference is to maintain separate thresholds. There remain engineering and standards differences between the utilities that produce natural breakpoints for utility analysis.

A good example is the expedited criteria for small, inverter-based systems. One major factor for the utilities' criteria is the smallest available distribution transformer. For some utilities that is 25kVA, and for others may be as low as 10kVA. Setting that size as the breakpoint greatly reduces likelihood that expedited projects require any further review or system upgrade. If all utilities standardize at 25kW, as IREC recommends, then internal processes at the utility will require follow up analysis on those applications even though the regulatory processes indicate it has passed the screens.

There are ways to accommodate these differences, therefore it is possible that utilities may find a reasonable accommodation that would allow us to standardize around 25kW, in the example of the Expedited projects. We have not yet fully discussed the specific criteria for larger systems and higher level "Fast Track" reviews, where we may uncover additional differences between our systems.

Where a single threshold is sought, it should be considered a minimum size requiring the next level of review. Above and beyond that threshold, each utility may still choose to expedite or approve an application using lower review level screens, according to the safety and reliability requirements of their unique system.

#### **5) What is an appropriate determination of fees by procedural step? for example, Pre-Application Report is \$300; Expedited Review fee; Simplified Review fee; Full Interconnection Study fee?**

The Utility Working Group has not yet discussed the topic of procedural fees. There is a desire among The Group to keep the structure of fees simple and avoid complex \$X per kW type structures. Regardless of up-front costs, the model procedures are aligned with the that the utility recover the actual cost of effort to process the application and perform the studies, invoiced upon completion.

The Group recommends that Expedited Applications be charged a flat fee, to be established through analysis of the average of actual costs incurred, with no true-up after completion, in order to keep the process simple. For higher level studies, a deposit should be assessed up-front, with the remainder to be invoiced upon completion. The magnitude of the deposit may be determined during rule making proceedings, but a range of \$1,000 to \$2500 seems to be a good starting point based upon the model procedures.

Pre-Application Report – Industry standard has consolidated on \$300, non-refundable

Expedited Application – \$XXX Application Fee

Full Study Application – \$XXXX Deposit, actual cost to be invoiced upon study completion